

**Financial Highlights**  
**For the Year Ended March 31, 2017**

(April 1, 2016 through March 31, 2017)



THE HOKKOKU BANK, LTD.

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(Note)

All numbers and ratios less down unit have been rounded down.

The amounts, ratios or any other information presented herein have not been audited.

# The Hokkoku Bank, Ltd. and Consolidated Subsidiaries

## Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2016	As of March 31, 2017
<b>Assets</b>		
Cash and due from banks	467,351	748,544
Call loans and bills bought	—	30,000
Monetary claims bought	3,783	3,714
Trading account securities	157	156
Money held in trust	15,024	13,531
Securities	1,018,148	1,104,367
Loans and bills discounted	2,328,285	2,315,444
Foreign exchanges	11,044	11,323
Lease receivables and investment in leased assets	21,741	25,160
Other assets	16,084	47,438
Tangible fixed assets	36,923	35,223
Intangible fixed assets	8,866	8,315
Deferred tax assets	212	202
Customers' liabilities for acceptances and guarantees	16,661	16,397
Reserve for possible loan losses	△40,265	△39,456
<b>Total assets</b>	3,904,020	4,320,364

(Millions of yen)

	As of March 31, 2016	As of March 31, 2017
<b>Liabilities</b>		
Deposits	3,086,299	3,185,984
Negotiable certificates of deposit	89,817	108,046
Call money and bills sold	67,916	293,334
Guarantee deposit under securities lending transactions	337,572	359,851
Borrowed money	6,865	5,519
Foreign exchanges	22	5
Other liabilities	41,772	72,758
Reserve for bonuses	805	814
Net defined benefit liability	17,058	16,054
Reserve for directors' retirement benefits	56	55
Reserve for reimbursement of deposits	265	254
Reserve for loss on interest repayment	95	65
Reserve for customer service points	294	218
Deferred tax liabilities	1,383	6,824
Deferred tax liability arising from revaluation of land	2,113	1,819
Acceptances and guarantees	16,661	16,397
<b>Total liabilities</b>	<b>3,669,000</b>	<b>4,068,006</b>
<b>Net Assets</b>		
Common stock	26,673	26,673
Capital surplus	11,366	12,745
Retained earnings	150,502	159,480
Treasury shares	△188	△193
<b>Total shareholders' equity</b>	<b>188,353</b>	<b>198,706</b>
Net unrealized gains on available-for-sale securities	39,436	46,953
Net deferred gains or losses on hedging instruments	△181	△25
Land revaluation surplus	3,260	2,589
Remeasurements of defined benefit plans	△5,623	△4,580
<b>Total accumulated other comprehensive income</b>	<b>36,891</b>	<b>44,936</b>
Subscription rights to shares	262	326
Non-controlling interests	9,512	8,389
<b>Total net assets</b>	<b>235,020</b>	<b>252,358</b>
<b>Total liabilities and net assets</b>	<b>3,904,020</b>	<b>4,320,364</b>

## Consolidated Statements of Income

(Millions of yen)

	For the year ended March 31, 2016	For the year ended March 31, 2017
<b>Ordinary income</b>	74,686	67,413
Interest income	42,855	40,565
Interest on loans and discounts	29,799	28,254
Interest and dividends on securities	12,538	11,897
Fees and commissions	9,429	9,272
Other operating income	16,866	14,472
Other income	5,535	3,102
<b>Ordinary expenses</b>	57,085	51,545
Interest expense	1,841	1,982
Interest on deposits	704	559
Fees and commissions	2,840	2,924
Other operating expenses	13,982	13,143
General and administrative expenses	30,284	31,373
Other expenses	8,135	2,121
<b>Ordinary profit</b>	17,601	15,867
<b>Extraordinary income</b>	0	30
<b>Extraordinary losses</b>	771	363
<b>Income before income taxes</b>	16,830	15,534
<b>Income taxes</b>	6,658	4,160
Current	5,647	2,791
Deferred	1,010	1,369
<b>Profit</b>	10,172	11,374
<b>Profit attributable to non-controlling interests</b>	603	522
<b>Net income(Profit attributable to owners of parent)</b>	9,569	10,851

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the year ended March 31, 2016	For the year ended March 31, 2017
<b>Profit</b>	10,172	11,374
<b>Other comprehensive income</b>	△18,959	9,143
Net unrealized gains on available-for-sale securities	△16,571	7,945
Net deferred gains or losses on hedging instruments	207	155
Remeasurements of defined benefit plans	△2,708	1,042
<b>Comprehensive income</b>	△8,787	20,517
Owners of the parent	△9,126	19,567
Non-controlling interests	338	950

## Financial Highlights (consolidated)

### Consolidated Operating Results

(Millions of yen)

	For the year ended March 31, 2016 (B)	For the year ended March 31, 2017 (A)	(A)–(B)
Ordinary income	74,686	67,413	△7,273
Ordinary profit	17,601	15,867	△1,733
Profits attributable to owners of parent	9,569	10,851	1,282
Earnings per share-basic(yen)	31.45	36.24	4.79
Earnings per share-diluted(yen)	31.36	36.13	4.77

(%)

	As of March 31, 2016 (B)	As of March 31, 2017 (A)	(A)–(B)
Net assets(except for subscription right to share and non-controlling interests)ratio	5.7	5.6	△0.1

### Projections for the year ending March 31, 2018

(Millions of yen)

	For the year ended March 31, 2017	For the year ending March 31, 2018
Ordinary profit	15,867	13,000
Net income	10,851	8,500
Earnings per share-basic(yen)	36.24	28.39

## Securities (consolidated)

Unrealized gains and losses of available-for-sale securities (consolidated)

(Billions of yen)

	As of March 31, 2016				
	Fair value	Acquisition cost	Difference		
				gains	losses
Total	1,014	958	56	63	7
Stock	120	77	43	46	3
Debt securities	701	689	12	13	0
Others	191	190	0	3	3

	As of March 31, 2017				
	Fair value	Acquisition cost	Difference		
				gains	losses
Total	1,101	1,033	67	76	9
Stock	153	89	63	65	1
Debt securities	650	644	6	8	1
Others	297	300	△3	2	5

## Soundness of Assets (non-consolidated)

Disclosed Assets Based on the Financial Reconstruction Law (non-consolidated)

(Billions of yen)

	As of March 31, 2016 (B)	As of March 31, 2017 (A)	(A)–(B)
Bankrupt or De facto Bankrupt	15	10	△5
Doubtful	58	54	△4
Special Attention	1	1	0
Subtotal (C)	75	66	△9
Normal assets	2,365	2,326	△39
Total (D)	2,441	2,392	△49

(C) / (D) (%)	3.10	2.76	△0.34
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